

Additional Sales and Use Tax Rate Information

Clarification of Tax Rate Information

Some questions were asked about how to calculate the sales and use tax rates, which became effective April 1, 2009, for the special districts that were **not** shown in the chart attached to VIN 2009-04, *Sales and Use Tax Changes*.

All existing county and city (special district) sales or use taxes that were due before April 1, 2009, are still due. The sales and use tax will continue to be assessed at the current tax rate, **plus** the statewide one percent increase, **unless** effective April 1, 2009, a specific county or city sales or use tax rate changed (by voter mandate or legislation).

A few examples are provided below, to show how the state, county, and city taxes are combined to determine the total sales or use tax rate. In the examples below, the state and county tax rates **increased** as of April 1, 2009; however, the **pre-existing** city (special district) sales or use tax rate did **not** change on April 1, 2009, and is still due.

<i>City</i>	<i>County</i>	<i>New STATE Rate 04/01/2009</i>	<i>New COUNTY Rate 04/01/2009</i>	<i>Existing CITY Rate</i>	<i>Total Tax Rate effective 04/01/2009</i>
San Rafael	Marin	8.25%	0.75%	0.50%	9.50%
Sebastopol	Sonoma	8.25%	0.75%	0.25%	9.25%
Santa Rosa	Sonoma	8.25%	0.75%	0.25%	9.25%

The above example is **not** a complete list of sales and use tax rates. For complete state, county, and city (special district) sales and use tax rate information and lists, please see the Board of Equalization's (BOE) website at <http://www.boe.ca.gov/index.htm>.

Background

The state sales and use tax rate went up one percent on April 1, 2009, and a number of county and city sales and use tax rate changes also became effective the same day. The counties and cities that had additional voter mandated changes to their specific tax rates were shown in the chart attached to VIN 2009-04.

The Department of Motor Vehicles (DMV) acts as an agent for the BOE in the collection of sales and use tax when a vehicle or undocumented vessel is sold or transferred from someone other than a BOE licensed California retailer. The sales and use tax collected by DMV includes the state sales or use tax, and any additional county and city (special district) sales and use tax.

Background, *continued* ...

Most vehicle industry members (retail sellers) are required to remit sales or use tax on vehicle or undocumented vessel sales directly to the Board of Equalization (BOE), and must continue to submit these taxes to BOE.

Reference

Revenue and Taxation Codes §§6051.7, 6201.7

Board of Equalization website <http://www.boe.ca.gov/index.htm>

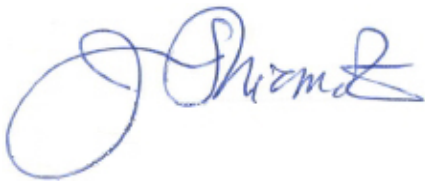
VIN 2009-04 Sales and Use Tax Changes; which can be found at:
dmvweb/apps/MemoFinder/?Type=VIN&Year=2009

Distribution

Notification that this memo is available online at **www.dmv.ca.gov** under Publications was made via e-mail alert in April 2009.

Contact

Call the DMV Customer Communications Section, at (916) 657-6560 for further clarification of this memo. Upon request, this document can be produced in Braille or large print.

A handwritten signature in blue ink, appearing to read "J. Shiimoto". The signature is fluid and cursive, with a large loop at the beginning.

JEAN SHIOMOTO, Deputy Director
Communication Programs Division